

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF NORTH CAROLINA
SOUTHERN DIVISION

CIVIL ACTION FILE NO.: 7:19-cv-89-BO

NEIGHBORHOOD NETWORKS)
PUBLISHING, LLC and N2)
FRANCHISING, LLC,)
Plaintiffs,)
v.)
JACQUELINE MARIE LYLES and)
LIFESTYLE PUBLICATIONS, LLC,)
Defendants.)

**DECLARATION OF
KATHRYN MIYAHIRA**

I, Kathryn Miyahira, pursuant to 28 U.S.C. § 1746, declare as follows:

1. I am a citizen of the United States and a resident of the State of North Carolina.
2. I am over 18 years of age; I am not subject to any disability; and I am fully able and authorized to make the statements set forth in this Declaration. The evidence set forth in this Declaration is based on my personal knowledge. I submit this Declaration in support of Plaintiffs' Response in Opposition to Defendant's Motion for Summary Judgment.
3. I am a legal operations specialist for The N2 Company f/k/a Neighborhood Networks Publishing, Inc. (collectively with N2 Franchising, "N2"), one of the plaintiffs in this matter. I have been employed by N2 since April 2019.
4. As a legal operations specialist, my responsibilities include, among other things, monitoring and tracking franchisee compliance with N2's franchise agreements.

5. In my role as legal operations specialist, I am familiar with and regularly access and use N2's proprietary software systems, including N2 Portal and PubManager. N2 gave me access to its proprietary software systems after I signed a confidentiality agreement, which generally prohibits me from disclosing or using N2's proprietary, confidential information and trade secrets.

6. I am familiar with N2's above-captioned lawsuit against Lifestyle Publications, LLC. Lifestyle Publications LLC is a direct competitor of N2. Both companies own and publish neighborhood and community magazines that are mailed direct to residents of affluent communities and neighborhoods, and provide niche marketing opportunities to local businesses. Both companies sell print advertising to local businesses.

7. I am also familiar with Jackie Lyles. Ms. Lyles was a former N2 Area Director, who assisted in the publication of *Peachtree Battle Living*. Ms. Lyles sold her franchise in 2018 and, several months later, began working for Lifestyle Publications LLC through its affiliate, Lifestyle Publications S.E., LLC ("Lifestyle S.E."). I am informed and believe that Ms. Lyles worked for Lifestyle Publications, LLC between February 2019 and April 2019.

8. While Ms. Lyles was working for Lifestyle Publications, LLC, she accessed the N2 Portal that contains expiration, renewal and payment information for of N2's advertisers, all of which is confidential and maintained by N2 as trade secrets.

9. During and around the same time that Ms. Lyles accessed such customer information maintained in N2 Portal, she was also soliciting business on behalf of Lifestyle Publications, LLC from N2 advertisers. More specifically, between March 17, 2019, and April 8, 2019, Ms. Lyles solicited business on behalf of Lifestyle Publications LLC from the N2 advertisers listed in the following chart:

N2 Client	N2 Account #	Contact in Portal	Date Contract Expired	Date Lyles First Contacted on Behalf of Lifestyle Pubs
1. Mercedes Benz - Buckhead	96745	Donna Anderson	March 2020	3/21/19
2. Cunningham Associates	81512	Jere Smith	February 2019	3/21/19
3. American Leather / Verde Home	145459	Rico Berrios	November 2019	3/21/19
4. Hennessy Jaguar/Land Rover	88620	Mark Hennessy	June 2019	Week of 4/1/19
5. Pharr Road Animal Hospital	80898	Brian Hekman	February 2019	Week of 4/8/19
6. Leslie Hindman	128936	Kimberly Bloomquist	February 2019	Week of 4/14/19
7. Ashley Battleson - Engel & Volkers	55501	Ashley Battleson	March 2017	Week of 4/1/19
8. Southern Stem Cell Institute	145776	Richard Ambrozic	November 2019	Week of 4/1/19
9. Catalyst Fitness	80906	Bill Sonnemaker	February 2019	Week of 4/8/19

10. The above chart lists the dates that specific N2 customer advertising agreements expired, as such information is maintained by N2 in the Portal in the ordinary course of business. Ms. Lyles would have access to and have seen the contract expiration information for each client account.

11. The timing and targeting of Ms. Lyles's solicitations indicate that she used N2's confidential contract expiration information to target specific accounts on behalf of Lifestyle Publications.

12. Ms. Lyles' April 2019 progress report ("Progress Report") confirms these meetings. A true and correct copy of the Progress Report is attached hereto as **Exhibit A**.

13. In connection with her solicitation of American Leather / Verde Home, Ms. Lyles accessed N2's PubManager to download a high-resolution copy of an American Leather / Verde Home digital advertisement, which N2 published in the February 2019 edition of *Peachtree Battle Living*, which is the N2 publication that Ms. Lyles operated as a former N2 franchisee. A true and correct copy of that high-resolution advertisement stored in and pulled from N2's PubManager is attached hereto as **Exhibit B**.

14. In March 2019, Ms. Lyles, using her jackie.lyles@lifestylepubs.com account, emailed a copy of the surreptitiously obtained American Leather / Verde Home digital advertisement to jnewman@lifestylepubs.com. A true and correct copy of that email is attached hereto as **Exhibit C**.

I declare under penalty of perjury that the foregoing is true and correct.
Executed on June 25, 2020.



Kathryn Miyahira

ND: 4850-0584-6720, v.

TO DATE PROGRESS REPORT MONTH	ACCOMPLISHMENTS FOR THE WEEK AND SPECIFIC ACCTS SEEN FOR PRESENTATION	DATE OF FOLLOW UPS AND STATUS TO DATE
WEEK OF: 3/17/19 Mercedes Benz-Buckhead: 3/21/19 Cunningham HVAC: 3/21/19 Verde Home: 3/21/19 Elite Smiles Buckhead Cosmetic/Family Dentistry CR Home (Sewell Appliance/Cambria) The Lovett School Doctors Anti-Aging Institut	met with Jewell. She said to contact her again in the fall (October) is when they plan for 2020. met with Jere Smith. Interested in doing for 18 months - I think the art cost is now bothering them.... met with owner Paul. He only does is a vendor pays. American Leather wanted to try more neighborhoods/community met with Louise Smith. Sounded interested, then she spoke to doctor and he said they are doing enough now. dropped off a note and pubs on 3/13/19 to Dr. Nia (Pharr Rd) She is in many pubs spoke with Marketing, Eleanor Brooks. She said they did something awhile back - not more print now emailed back and forth with Lindsey Wohlfrom - they advertise AUG - DECEMBER spoke to Michael on 3/14/19. He said to call back in 60/90 days	August 2019 - for 2020 planning Going back to see them on Thursday, 3/28 @ 9:30 Would like to try to get them in May - need to give them an offer thought I'd reach out again in the summer - June 2019 I will call her every couple weeks. I will reach out in early fall 2019 Email her end of April to have a meeting in early/mid-May 2019 Call again end of May - May 20th. Jackiw Lyles
WEEK OF: 4/1/19 The Piedmont Hennessy Jaguar/Land Rover Engels and Volkers - Ashley Battleson Bach Fitness - Nathan Goodyear Buckhead - Paul Gimby Visited car dealers on Roswell Rd: Verde Home Southern Stem Holy Innocents' School	Owned by SRG - will get with them. Based in CA Met with Mark Hennessy just to say hello and let him know what I am up to Ashley was in the Chatain Park pub - said it didn't work - not ready to do another pub right now Owner Nathan said no print right now Paul was headed out of town with his wife that day so I just presented to him and he said to check back in a couple week Hendrix Toyota, Motor Cars of GA, RAM of Atl., Classic Subaru and Cadillac, Nalley Ford No response to my call/email re: May :(Met with Andrew - check back in a couple months for September	Check back in a couple weeks (week of 4/15) call or visit week of 4/15 Follow up with them this week Follow up for the June pub. Check back in June for Sept.
WEEK OF: 4/8/19 Sante MD Wellness Center 2U Laundry Catalyst Fitness Club Pilates Pharr Rd. Animal Hospital Integrative Wellness - stem cell	Had an appt. on Monday - Dave was still out of town...said he'd be available week of 4/15 though no set date met marketing person briefly - she said they are doing just social media but to contact in the fall for 2020 met with owner Bill and wife Valorie. Want to reach more in Midtown and VA Highlands Has three locations now. Will think about it. A little expensive Used to advertise with me. Budget for year spent. Keep in touch The marketing person is new and collecting info -	Don't bug but keep on keeping on - in many pubs - opening April Follow up in the fall 2019 Check back occasionally Check back in the fall - Check back in a couple weeks
WEEK OF: 4/14 Leslie Hindman Stacey Adams - Harry Norman Taylor Winn / Buckhead Wealth Autter Ride - Kim Crocker Lowe Baumen Group - Beacham Buckhead Life Rest. Group Sante MD Wellness	worked with in the past - new marketing person: James Smith - they are updating brand and will be in touch She works alone - assoc. broker. has lots to fix like web site. Lives in B'head but in Perimeter office had appt - no show rescheduled for week of 4/21 rescheduled to week of 4/21 Like the pubs - in Buckhead - Group. Didn't want to spend so much Have met in the past with others - this is a junior marketing person. - no more print this year. sent out email on Thursday morning (4/18) - didn't hear back.	checki back in a month - maybe end of month for June issues I will check in with her monthly don't think this is for them but will reach out occasionally will reach out in fall for 2020 gonna drop by early this week and drop off new pubs..

EXHIBIT B

HOLIDAYS ARE HECTIC.

**SLEEPING
ARRANGEMENTS
SHOULDN'T BE.**



“The Comfort Sleeper line is the standard by which
other sleeper sofas are measured”
Consumer's Digest Best Buy of 2017.

EST. 2006
VERDE HOME
by *Laura Walker*

999 Brady Ave Suite 4, Atlanta GA 30318 | 678-927-9113 | verdehomeinc.com

From: Jackie Lyles jackie.lyles@lifestylepubs.com
Subject: American Leather proposal for May issue
Date: March 28, 2019 at 12:45 PM
To: Jim Newman jnewman@lifestylepubs.com

Hi Jim-

Here are the details regarding Verde Home.

I had an appt. there last week and the only reason they would advertise is if their vendor, American Leather is interested since they are paying for it.

Key points:

1. Verde Home is a Home decor shop featuring an assortment of custom furniture, rugs, lighting & accessories.
2. The co-owner Paul said that American Leather is testing advertising in super local markets. They are currently advertising in the Peachtree Battle pub and Chastain Park (I think the Chastain Park pub is no longer beginning this past April issue).
3. He met with me last week because American Leather is doing 12 month agreements with hyper local pubs.
4. Verde Home is having a sale for American Leather from May 3 - June 17 so if our pubs got to people before May 3, they (American Leather) may be interested in advertising in one or two of our pubs - probably just Brookhaven since they are off Howell Mill. Our pubs would be a great opp. to reach over 100 readers and get people, their perfect demographic into their store for their high end sleeper sofas.
5. Paul, the co-owner of Verde Home has to email this proposal to American Leather, though I will call them to find out who handles this.

So, haven't heard back - would like to send a proposal.

-They would do a full page or if full page, why not premium?

-12 issues

-any online would be great

-they would create their own ad

I have attached the ad they ran the last month for Pines Battle Living.

Please see below.

Let me know what else you need - running off to an appt!

jackie

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**"The Comfort Sleeper line is the standard by which
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Consumer's Digest Best Buy of 2017.

AMERICAN LEATHER
VERDE HOME
Home Decor

300 Peachtree Avenue, Suite 100, Atlanta, GA 30308 • (404) 431-1115 • www.verdehome.com

Jackie Lyles
(404) 936-0499

Lp Lifestyle
Inspired by Community™

2020.06.22 - Declaration of Kat Miyahira 4850-0584-6720_Final

Final Audit Report

2020-06-25

Created:	2020-06-25
By:	Matthew Davis (matthew.davis@n2pub.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAzgR9IQEYNVIIISRIYNhMZoQeH96iHJtMM

"2020.06.22 - Declaration of Kat Miyahira 4850-0584-6720_Final" History

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2020-06-25 - 2:55:50 AM GMT

Email viewed by Kathryn Miyahira (kathryn.miyahira@n2pub.com)

2020-06-25 - 12:19:40 PM GMT- IP address: 66.249.88.148

Document e-signed by Kathryn Miyahira (kathryn.miyahira@n2pub.com)

Signature Date: 2020-06-25 - 12:20:37 PM GMT - Time Source: server- IP address: 72.15.201.116

Signed document emailed to Kathryn Miyahira (kathryn.miyahira@n2pub.com) and Matthew Davis (matthew.davis@n2pub.com)

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